

HOUSE BILL 2175

By Rich

AN ACT to amend Tennessee Code Annotated, Title 68
and Title 71, relative to nursing home services.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 71-5-1421, is amended by deleting the section in its entirety and substituting the following:

71-5-1421.

(a) Any managed care organization shall comply with § 56-32-126 and any prompt pay provisions within the MCO contractor risk agreements with TennCare. In addition, the MCO shall ensure that ninety percent (90%) of clean claims for nursing facility services shall be processed and paid within fourteen (14) calendar days and ninety-nine and one half percent (99.5%) paid within twenty-one (21) days.

(b) If TennCare changes a nursing facility's medicaid per diem rate, any MCO contracting with that nursing home will implement the medicaid agency changes within a reasonable time frame, not to exceed thirty (30) days, from the date the change. The MCO shall begin paying the adjusted new rate from the effective date of the change forward. All claims shall be paid based upon the rate established by TennCare for the date of service provided, regardless of the date the claim was submitted. Upon request by a contracted nursing home, a MCO must reprocess for payment any claims not paid at the correct rate.

(c) Any retroactive one time or other provider payments other than the daily rates directed by TennCare to be paid by a managed care organization to a

nursing facility shall be paid to each contracted nursing home not later than sixty (60) days from receipt of those funds from TennCare.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.